

**GROUP AND INDIVIDUAL MEDICARE SUPPLEMENT
INSURANCE FILING CHECKLIST**

(Rev. 8-29-06)

(806 KAR 17:390, 400, 420, 410 and 430)

- ☐ () Complies with the Basic Insurance Policy Checklist and Individual or Group Health Insurance Contract Checklist.

806 KAR 17:390 Section 3 - Policy definitions and terms cannot be more restrictive than outlined in this subsection.

- ☐ () 1. Accident
- ☐ () 2. Benefit period
- ☐ () 3. Convalescent nursing home, extended care facility
or skilled nursing facility
- ☐ () 4. Health care expenses
- ☐ () 5. Hospital
- ☐ () 6. Medicare - MUST BE DEFINED
- ☐ () 7. Medicare eligible expenses
- ☐ () 8. Physician
- ☐ () 9. Sickness

806 KAR 17:390 Section 4 - Policy Provisions

- ☐ () 1. Must not contain limitations or exclusions more restrictive than Medicare
- ☐ () 2. Must not contain a probationary or elimination period
- ☐ () 3. Must not use waivers to exclude, limit, or reduce coverage (or benefits) for specifically named pre-existing diseases or physical conditions
- ☐ () 4. Must not contain benefits that duplicate benefits provided by Medicare
- ☐ () 5. Must waive pre-existing on replacement policy to the extent such time was spent under the original policy (806 KAR 17:400 Section 12)

806 KAR 17:390 Section 5 - Minimum Benefit Standards for policies issued PRIOR To January 1, 1992

806 KAR 17:390 Section 6 - Benefit Standards for Policies and Certificates issued or delivered on or AFTER January 1, 1992.

(1) General Standards

- () a. Pre-existing condition - cannot be defined more restrictive than six months before the effective date. (Pre-existing condition is allowed during first six months after the effective date.)
- () b. Must not indemnify against losses from sickness on different basis as losses from accident benefits
- () c. Must change automatically to coincide with changes in the Medicare deductible and co-payment percentage factors
- () d. Shall not terminate coverage of spouse because of termination of coverage of the insured (except nonpayment of premiums)
- () e. Must be guaranteed renewable
 - () Provision for replacement of a terminated policy
 - () When group is replaced, the succeeding issuer must offer coverage to all persons covered under the replaced policy
- () f. Termination of policy during continuous disability (806 KAR 17:390 Section 6(1)(f))
- () g. Benefits and premiums suspended at request of insured if insured is entitled to medical assistance (Section 6(1)(g)) - must be reinstated upon re-entitlement

(2) Standards for Basic "Core" Benefits Plan A (Section 6) (2)

- (3) Standards for Additional Benefits - Plans B-J (Section 6(3) and Section 7)

806 KAR 17:390 Section 7 - Standard Medicare Benefit Plans

- () 1. Must offer the basic "core" plan
- () 2. Plans must be structured in accordance with format in Section 6(2) and 6(3)

806 KAR 17:390 Section 8 - Medicare Select Policies and Certificates
See Attachment #1

806 KAR 400 Section 2 - Open Enrollment

- () 1. Guarantee issue during the first six months of eligibility in Medicare Part B for individuals age 65 or older
- () 2. Pre-existing condition exclusions are allowed during the first six months of coverage
- () 3. Prior creditable coverage credit during open enrollment, guarantee issue (Section 3) and replacement (Section 12)

806 KAR 17:400 Section 3 - Guarantee Issue

806 KAR 17:420- Loss Ratio Standards and Refund or Credit of Premiums

- () 1. Loss ratio must be about 75 percent for group or 65 percent for individual policies
- () 2. Policies issued due to solicitations of individual through the mail or mass media advertising shall be individual policies

806 KAR 17:400 Sections 4 (Filing and approval of policies, certificates and premium rates) and 5 (Permitted compensation arrangements) - See Attachment #2

806 KAR 17:390 Section 9 and 806 KAR 17:400 Section 6 - Required Disclosure Provisions

(1) General Rules

- () a. Must include renewal or continuation provision on the first page (including right to change premiums)
- () b. Endorsements must be signed by insured if separate premium is charged. (Additional Premiums in connection with riders/endorsements must be set forth in the policy.)
- () c. Must not provide for payment or benefits based on standards described as "usual and customary," etc.
- () d. Limitations on pre-existing conditions must be in a separate paragraph and labeled "Pre-existing Condition Limitation"
- () e. 30-day right to return policy printed on the first page
- () f. Must provide a "Guide to Health Insurance for people with Medicare," at the time of application for all types of health insurance

(2) Notice Requirements

- () a. 30-day notice of modifications made to Medicare Supplement policies/certificates and premium adjustments (The notice shall not contain solicitation.)
- () b. Outline of Coverage - to be provided at time of application
- () Shall consist of four parts:

1. Outline of coverage cover page showing all plans being marketed
2. Premium rates for all plans
3. Disclosure page
4. Outline of coverage for all plans being offered
5. Not more than four plans shown on one chart

806 KAR 17:390 Section 10 - Disclosures

806 KAR 17:390 Section 11 - Materials incorporated by reference

806 KAR 17:400 Section 7- Application, Comparison, and Replacement Forms

- ☐ 1. Comparison statement - presented at time of taking replacement application; applicant must sign
- ☐ 2. Application - requirements (Section 7(2)&(3))
 - ☐ a. Statements (2)(a) through (f)
 - ☐ b. Questions (2)(b) 2 a. through p.
 - ☐ c. Agents list of policies: sold; sold and still in force; sold in the last five years; and no longer in force. See Subsection (3)
- ☐ 3. Replacement forms (Section 7(6))
 - ☐ a. Space for signature of agent and applicant

806 KAR 17:400 Section 8 - Advertising

- ☐ 1. Must be "Filed Only" prior to use

- () 2. Must not use names and addresses of persons purchased as "leads" unless solicitation material used to obtain the names has been filed as advertisements

806 KAR 17:400 Sections 8 and 10 - Policy Delivery and Marketing

- () 1. Signed and dated delivery receipt from the insured (806 KAR 17:400 Section 9)
- () 2. "Notice to Buyer" on first page of outline of coverage and policy: "may not cover all medical expenses"
- () 3. Lead cards must disclose that "an agent will call"

806 KAR 17:400 Section 9 - Policy Delivery

806 KAR 17:400 Section 11 - Excessive Insurance

- () Sale of duplicate Medicare Supplement policy/certificate is prohibited
- () Prohibits insurers from issuing a Medicare Supplement policy to someone enrolled in Medicare Part C (Medicare Advantage) unless coverage is after termination of Part C.

806 KAR 17:400 Section 3 Guarantee issue periods

806 KAR 17:010 Refund of premium at death

KRS 304.14-545 Due to House Bill 238 – Refund of unearned premium due to cancellation.

806 KAR 17:410 Claims payment practices

806 KAR 17:430 Reporting requirements